



Financial Regulatory Fellows Program

Office of Thrift Supervision
Department of the Treasury
1700 G Street NW
Washington, DC 20552

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FINANCIAL REGULATORY FELLOWS PROGRAM

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Date of Publication: March 1998

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OFFICE OF THRIFT SUPERVISION

The Office of Thrift Supervision (OTS), a bureau of the U. S. Department of the Treasury, is responsible for the federal chartering, regulation, and supervision of the thrift industry within the United States.

As a public-sector agency, the OTS has developed and supports new initiatives and programs consistent with safe and sound practices. The goals of the agency are to:

- Contribute to a safe and sound industry by maintaining and enhancing its risk-focused, differential and proactive approach to the supervision of thrift institutions;
- Improve credit availability by encouraging safe and sound lending in those areas of greatest need;
- Enhance competitiveness of the thrift industry to ensure its safety and soundness;
- Conduct operations efficiently to keep regulatory burdens on the thrift system at the minimum necessary level; and
- Provide exceptional customer service to all major industry groups, including the thrift institutions regulated by the OTS and members of the public that deal with those thrift institutions, to make government more responsive.

In 1998, Congress is poised to consider charter modernization for banks and thrifts to assure their ability to compete within a dynamic financial services industry. The OTS and the thrift industry it regulates will be major participants in helping to explore the modernization issues. Implementing a modern charter will set the future foundation for more than 1,200 thrift institutions holding approximately \$770 billion in assets. The ongoing technology explosion affecting the delivery of financial services to customers poses additional challenges for the thrift industry and its regulator—the OTS.

FINANCIAL REGULATORY FELLOWS PROGRAM

The OTS is pleased to invite applications in Washington and in its regional locations for its Fellows program—a series of vital positions designed to draw upon the skills of outstanding men and women from a variety of academic disciplines and career fields. The OTS seeks those who have a clear interest in and commitment to the analysis and management of public policies and programs. Fellows will assist in addressing modernization of the OTS itself and the thrift industry it supervises. Positions will include work in risk management, trust activities, small business lending, retail credit, economic analysis, quality assurance, credit scoring, law, and capital markets.

The experiences gained through the Fellows program are meant to be career enhancing and open new opportunities. Fellows will have the chance to explore career possibilities in other federal agencies. The key features of the program are:

- An orientation program in Washington, DC;
- A year of public service in a dynamic agency focused on regulating a rapidly changing thrift industry;
- The opportunity to be at the cutting edge of new issues in financial services;
- Exploration of the issues facing the various financial institution regulators, such as the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency;
- Choice positions, dealing with selected disciplines, located in six areas within the United States; and
- An opportunity to work closely with top-level government officials.

APPLICATION AND SELECTION

Applicants must be U.S. citizens and be willing to work for the OTS for at least 13 months, but not longer than 15 months. The salary of the individual position will be commensurate with the work experience of the selected individual and the job to which the Fellow is assigned while at the OTS. The agency will evaluate applicants based on the position(s) that best fit(s) their professional skills and qualifications.

LOCATIONS

The Fellows positions will be in the following major cities:

HEADQUARTERS

1700 G Street, N.W.
Washington, DC 20552
(202) 906-6000

CENTRAL REGION

200 W. Madison Street
Suite 1300
Chicago, IL 60606
(312) 917-5000

NORTHEAST REGION

10 Exchange Place
18th Floor
Jersey City, NJ 07302
(201) 413-1000

MIDWEST REGION

122 W. John Carpenter Fwy.
Suite 600
Irving, TX 75039-2010
(972) 281-2000

SOUTHEAST REGION

1475 Peachtree Street, N.E.
Atlanta, GA 30309
(404) 888-0771

WEST REGION

1 Montgomery Street
Suite 400
San Francisco, CA 94014
(415) 616-1500

AVAILABLE FELLOWS POSITIONS

Following is a list of available positions, geographical locations, and minimum qualification requirements.

TRUST SPECIALIST (Regional Office - occasional travel between regions)

The primary responsibility of this Fellows position is to support and improve the OTS's approach to examining fiduciary activities of federally chartered institutions. The incumbent will assist the OTS staff in monitoring compliance with agency policies and procedures, as well as applicable federal and state law and regulations. The incumbent will work with regional personnel, as well as personnel from other regulatory agencies, to assist in the development of new and revised examination techniques and procedures for an expanding segment of the thrift industry. Following are some specifics:

- Provides technical support regarding trust activities of thrifts. Assists with the development of regulatory and supervisory policies and procedures regarding fiduciary activities of thrifts;
- Consults with examiners on recommendations, findings and conclusions in the examination of trust activities;
- Acts as technical advisor to OTS staff and regional management in identifying issues in applications for trust activities; and
- May serve on OTS and interagency committees related to trust examination issues.

At a minimum, the candidate for this Fellows position should possess a BA or advanced degree in finance or accounting, and a law degree would be desirable. In addition, the candidate will possess knowledge and understanding of trust operations through work experience in a bank or with a regulatory agency.

**COMPLEX RISK MANAGEMENT SPECIALIST
(Washington Office) (Two Fellows - one each with expertise in insurance and investment banking)**

The primary responsibility of these Fellows positions is to suggest methods for assessing the risks of nonbanking activities of thrift holding companies, and their effect on the thrift subsidiary. Interest in the thrift charter has recently sparked more than two dozen applications for thrift charters by companies not normally associated with savings associations. Half the applications have been from major insurance companies, and additional applications have been from securities firms. The “fit” of thrift products with existing products offered by nonbanking affiliates of the holding companies would be the focus of interest for these Fellows positions. The following is expected from the incumbents for these positions:

- Assess risk management techniques used to deal with interest rate, credit, transaction and market risks by the insurance and investment banking industries;
- Provide advice and assistance in the development and refinement of regulatory and supervisory policies and procedures to deal with the risks specified above.
- Develop criteria for assessing the quality of risk management and identification of the potential impact of that management on the thrift subsidiary;
- Provide assistance on how to identify potential problems that may occur from cross-marketing of products and services; and
- Provide expertise and training on analysis of financial statements filed by holding companies, particularly those engaged in nontraditional activities, such as insurance companies and investment banking firms.

At a minimum the successful candidates for these Fellows positions will possess an advanced degree in economics or finance. Work experience in the financial services industry is highly desirable, but satisfactory evidence of previous sustained research into financial risk management from any platform would be an acceptable substitute.

**QUALITY ASSURANCE/PUBLIC POLICY ANALYST
(Washington Office)**

The primary responsibilities of this Fellows position are to identify and reengineer business processes within the OTS to develop more economic and efficient operational methods. Among other things, the following is expected from the incumbent of this position:

- Commentary on work and studies demonstrating the highest level of understanding of project expectations, data being produced, staffing and resources, and expected results;
- Analysis of internal agency structures and channels, leading to an overall climate conducive to employee communications; and
- Recommendations to the Director and senior staff on the appropriateness of various administrative policy approaches and economic arguments.

At a minimum, the candidate for this Fellows program will possess a BA or advanced degree in public administration, public policy, business, finance, human resources, or a related subject area. Special experience directing, managing, and coordinating outreach efforts and knowledge of administrative processes are highly desirable.

ATTORNEY (Washington Office)

The primary responsibility of this Fellows position is to analyze the cutting-edge regulatory issues affecting the thrift industry, including the scope of permissible financial activities and interrelationships with other regulatory schemes. Carrying the responsibility involves:

- Knowledge and experience concerning the business environment of community banks. The Fellow should be able to provide the OTS with insights on the competitive and regulatory pressures facing community banks, and aid the OTS in understanding how the community bank can be preserved as a viable financial institution integral to the community's well being; or
- Background in the relationship between banking, insurance companies, securities firms and general commercial enterprises. The agency seeks a Fellow with federal legislative experience or a banking policy background to explore and understand the financial modernization options under consideration by the federal legislature;
- Preparation of draft opinions, draft regulations, and possibly, draft orders; and
- Conferences with other regulatory counsel, supervisory staff, savings association counsel; and other parties interested in matters encountered by financial institution regulators.

At a minimum, the candidate will have been admitted to the bar and have considerable knowledge of bank regulatory issues. In addition, the candidate should have a historical perspective of bank regulation.

COMMERCIAL/SMALL BUSINESS LENDING SPECIALIST (Regional Office - with occasional travel to other regions)

The primary responsibility of this Fellows position is to bring commercial and small business lending experience to the agency to boost its expertise in monitoring and analyzing increases in commercial and small business lending activities of thrifts. Recent legislation has increased the percentage of assets that a thrift may invest in these areas. Small business commercial loans are the fastest-growing portion of the thrift industry's aggregate loan portfolio. It is essential that the OTS develop policy guidelines to assist thrifts in expanding these activities while at the same time ensuring the thrifts' safety and soundness. Attention to the following objectives will be among the expectations from this position:

- Provide expertise on underwriting and monitoring techniques to aid examiners in their assessment of the credit management performance of thrifts;
- Provide expertise and training to improve examiners' understanding and ability to analyze different types of small business loans;
- Assist with the development of guidance for the industry and the OTS examination staff on mitigating risks associated with commercial and small business lending activities;
- Acquaint thrifts with successful approaches to expanding loans to small businesses; and
- Familiarize interested thrift institutions with the wide array of available small business lending resources, including those of the Small Business Administration.

At a minimum, the candidate for this Fellows position will possess a BA or advanced degree in business management, investment analysis, risk analysis or related subject area. The candidate should also have experience with credit analysis, and loan underwriting and structuring, preferably gained from performing as a loan officer.

ECONOMIST (Washington Office)

The primary responsibility of this Fellows position is to produce relevant policy research regarding financial services modernization issues and issues concerning the modernization of OTS regulatory operations. The research aspects will involve close contact with other OTS staff as well as staff in other federal departments, including other bank regulatory agencies. Matters demanding close attention include, but are not limited to:

- The role of depository institutions in a national financial services arena where they have a decreasing market share;
- The continuing need for financial institutions to assure fair access to financial services for all Americans; and
- The balance between government protection and public demand for social improvement.

At a minimum, the candidate will possess an advanced degree in economics or finance and experience conducting policy-oriented economic research. Work experience in the financial institution industry is highly desirable.

CAPITAL MARKETS SPECIALIST (Regional Office - with occasional travel to other regions)

The primary responsibilities of this Fellows position consist of providing assistance to the region's efforts to identify and propose solutions to issues relating to securitization of assets. The Fellow will provide advice to the region on how securitization of assets affects the thrift industry and OTS regulation of thrifts seeking to take advantage of these financial instruments. The Fellow will identify issues and propose alternative solutions to problems of thrift capital, operations, and examinations as they relate to the latest capital market instruments. Following are some specific issues that need to be addressed:

- Securitization structures in relation to the degree of recourse to thrifts and the effect of that recourse on capital adequacy;
- Risk identification, measurement, and reporting associated with securitization of auto loans, credit card receivables, computer leases, and student loans compared with the more familiar mortgage loan securitizations;
- Adjustments to a thrift institution's internal control structure necessitated by that institution's transactions in securitized assets; and
- Guidance for examination teams that have occasion to conduct safety and soundness exams of thrifts that deal in securitized assets.

The candidate should have direct experience in the issuance, appraisal, purchase, or servicing of asset securitization issues. An MBA degree is desirable. Knowledge of brokerage and investment firm operations at a high level and an ability to analyze highly specialized financial instruments and their relationship to the regulatory environment are highly desirable.

STATISTICIAN/MORTGAGE SPECIALIST FOR CREDIT SCORING (Regional Office - with occasional travel to other regions)

The primary responsibility of this Fellows position is to provide OTS with technical expertise and experience in the development, implementation and management of credit scoring systems in the financial services industry. The Fellow will bring a thorough understanding of the latest technological tools for creating and utilizing scoring models in credit underwriting, loan pricing, and account management to OTS's policy mission with respect to this field. That mission is to:

- Develop and issue guidance for the examination of thrifts employing credit scoring in their lending operations;
- Develop and issue guidance for the industry in the development, implementation and management of credit scoring in their lending operations; and
- Determine the feasibility of OTS utilizing credit scoring technology to enhance its supervision of institutional credit quality.

As a leading member of an OTS credit scoring team, the Fellow will be engaged in preparing studies of credit scoring utilization in the thrift industry, in drafting examination procedures monitoring the safe, sound, and legally compliant implementation of credit scoring systems, devising training for examiners, and conducting educational programs for agency and industry representatives.

At a minimum, the successful candidate for this Fellows position will possess several years of direct experience with and responsibility for the development, testing, implementation, performance monitoring, revision, and fair lending implications of credit and application scoring models used in automated underwriting in the banking or thrift industry. The location of the position will be determined in consultation with the selected candidate.

RETAIL CREDIT SPECIALIST (Regional Office - with occasional travel to other regions)

The primary responsibility of this Fellows position is to develop, analyze, and improve consumer lending activities, including indirect auto lending, home equity loans, credit cards and other financial products created for the consumer. Thrift institutions have greater authority for lending in these areas, and it is critical that the OTS provide regulatory guidance to the thrifts for maintaining safety and soundness under the expanded lending environment. A key change in the environment is the expanded definition of credit card loans, education loans, and many other consumer loans as qualified thrift investments. Of particular current interest is the subprime lending that is creeping into the retail credit arena. The management of retail credits that have been securitized and sold into secondary markets is also a concern. Specific aspects to be addressed by the incumbent of this position include:

- The changing nature of risk in today's retail credit environment as the market for unsecured, open-end credit has evolved from relatively insignificant to very large credit lines;
- Analyses of lending practices such as re-aging, partial payments, and other retail credit policies that could lead to loan losses;
- Potential problems in retail credit portfolio management arising from weaknesses in origination and underwriting; and
- Supervisory guidelines to the OTS and to thrifts regarding the proper level of loan loss reserves for retail credit.

The work experience required for this Fellows position would be four to six years in the retail credit field, preferably in a consumer banking capacity. In addition, the candidate should possess an undergraduate degree and a demonstrated appreciation of the regulatory attitude toward retail credit activities.

HOW TO APPLY

Applications will be accepted from March 27, 1998, until the positions are filled. However, no applications will be accepted after May 29, 1998. Candidates wishing to receive consideration for this program should submit an Optional Application for Federal Employment (OF-612), a completed Standard Application for Federal Employment (SF-171), or a resume. In addition, three letters of recommendation must be submitted on behalf of the candidate attesting to the professional skills and qualifications of the candidate.

Resumes should contain the following information:

JOB INFORMATION

- ◆ Identify Fellows position or positions of interest and the preferred geographic location. Candidates may apply for more than one position. If applicants are uncertain as to which positions they are best qualified for, they may indicate General on their resumes. The OTS will evaluate such applicants based on the position(s) that best fit(s) their professional skills and qualifications.

PERSONAL INFORMATION

- ◆ Full name, mailing address (with zip code) and day and evening phone numbers (with area codes)
- ◆ Social Security Number
- ◆ Veteran's preference (see following section on veteran's preference)
- ◆ Reinstatement eligibility based on prior federal service
- ◆ Highest federal civilian grade held, if any

EDUCATION

- ◆ High school - Name, City and State
Date of diploma or graduate equivalent diploma
- ◆ Colleges or universities - Name, City, and State
Majors and type and year of any degrees received

WORK EXPERIENCE

- ◆ Give the following information for your paid and nonpaid work experience related to the Fellows position you are applying for.
 - Job title (include series and grade if federal job)
 - Duties and accomplishments
 - Employer's name and address
 - Supervisor's name and phone number
 - Starting and ending dates (month and year)
 - Hours per week
 - Salary
- ◆ Indicate if we may contact your current supervisor.

OTHER QUALIFICATIONS

- ◆ Job-related training courses (title and year)
- ◆ Job-related skills, for example, other languages, computer software/hardware
- ◆ Job-related certificates and licenses (current only)
- ◆ Job-related honors, awards and special accomplishments, for example, publications, memberships in professional or honor societies, leadership activities, public speaking, and performance awards (provide dates)

VETERAN'S PREFERENCE IN HIRING

- ◆ If you served on active duty in the United States military and were separated under honorable conditions, you may be eligible for veteran's preference. To receive preference if your service began after October 15, 1976, you must have a campaign badge, expeditionary medal, or a service-connected disability.
- ◆ To claim five-point veteran's preference, attach a copy of your DD-214, Certificate of Release or Discharge from Active Duty, or other proof of eligibility.
- ◆ To claim ten-point veteran's preference, attach an SF-15, Application for 10-point Veteran's Preference, plus the proof required by that form.

OTHER INFORMATION APPLICABLE ONLY TO FEDERAL EMPLOYEES

- ◆ Federal employees seeking career transition assistance program or interagency career transition assistance program eligibility must submit proof that they meet the requirements under 5 Code of Federal Regulations 330.605(a). This includes a copy of the agency notice, a copy of their most recent performance rating and a copy of their most recent SF-50, noting current position, grade level and duty station.
- ◆ Candidates who have been identified as surplus or displaced employees by the Department of the Treasury or another federal agency will receive priority consideration if found well qualified. Well-qualified candidates are applicants who attain 90 points or more in the evaluation process.

The information should be mailed to the following address:

**OFFICE OF THRIFT SUPERVISION
ATTN: HUMAN RESOURCES DIVISION
1700 G STREET, N.W.
WASHINGTON, D.C. 20552
202-906-6779 202-906-7219**

The Office of Thrift Supervision is an equal opportunity employer.

BENEFITS OF EMPLOYMENT

Fellows are hired for a specified 13-month period at a fixed salary. In addition, the OTS offers its Financial Regulatory Fellows attractive fringe benefits during their tenure:

- ◆ Thirteen days paid sick leave;
- ◆ Ten paid federal holidays;
- ◆ Minimum of 13 days paid annual leave (vacation);
- ◆ Group life insurance with the cost shared by the government;
- ◆ Participation in group health insurance with the cost shared by the government; and,
- ◆ Military leave with full pay for annual reserve training.